



Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal Nos. 14-17]

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Cooperation Agency.

ACTION: Notice.

SUMMARY: The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

FOR FURTHER INFORMATION CONTACT: Ms. B. English, DSCA/DBO/CFM, (703) 601-3740.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 14-17 with attached transmittal, and policy justification.

Dated: May 27, 2014.

Aaron Siegel,
Alternate OSD Federal Register Liaison Officer,
Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY
201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-5408

MAY 16 2014

The Honorable John A. Boehner
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 14-17, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to Mexico for defense articles and services estimated to cost \$556 million. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

Sincerely,

A handwritten signature in black ink, appearing to read "J. W. Rixey", is written over the typed name.

J. W. Rixey
Vice Admiral, USN
Director

Enclosures:

1. Transmittal
2. Policy Justification



Transmittal No. 14-17

Notice of proposed Issuance of Letter of Offer
Pursuant to Section 36(b) (1)
Of the Arms Export Control Act, as amended

- (i) Prospective Purchaser: Mexico
- (ii) Total Estimated Value:
Major Defense Equipment:* \$ 0 million
Other: \$556 million
TOTAL: \$556 million
- (iii) Description and Quantity of Articles or Services under Consideration for Purchase: 3,335 M1152 High Mobility Multi-Purpose Wheeled Vehicles (HMMWVs), spare and repair parts, support and test equipment, communication equipment, publications and technical documentation, personnel training and training equipment, U.S. Government and contractor engineering, technical and logistics support services, and other related elements of logistical and program support.
- (iv) Military Department: Army (UET)
- (v) Prior Related Cases, if Any: None
- (vi) Sales Commission, Fee, etc., Paid, Offered or Agreed to be Paid: None
- (vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: None
- (viii) Date Report Delivered to Congress: 16 May 2014

* as defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Mexico - M1152 High Mobility Multi-Purpose Wheeled Vehicles (HMMWVs)

The Government of Mexico has requested a possible sale of 3,335 M1152 High Mobility Multi-Purpose Wheeled Vehicles (HMMWVs), spare and repair parts, support and test equipment, communication equipment, publications and technical documentation, personnel training and training equipment, U.S. Government and contractor engineering, technical and logistics support services, and other related elements of logistical and program support. The estimated cost is \$556 million.

This proposed sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a strategic partner. Mexico has been a strong partner in combating organized crime and drug trafficking organizations. The sale of these HMMWVs to Mexico will significantly increase and strengthen its capability to provide in-country troop mobility to provide security.

Mexico intends to use these defense articles and services to modernize its armed forces and expand its existing army architecture to combat drug trafficking organizations. This will contribute to the Mexican military's goal of updating its capabilities, while further enhancing interoperability between Mexico and the U.S. and among other allies. Mexico will have no difficulty absorbing these vehicles into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The principal contractor will be AM General in South Bend, Indiana. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require at least four U.S. Government or contractor representatives to travel to Mexico for a period of three years to provide operational and maintenance training.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.